

Interim Report

1 April – 31 December 2012 (9 months)

Reporting period (1 April-31 December 2012)

- Revenue amounted to MSEK 5,815 (6,173).
- Operating profit amounted to MSEK 221 (307), and was impacted by non-recurring items in the amount of MSEK +51 (–16).
- Profit after net financial items totalled MSEK 162 (240), and was impacted by non-recurring items of MSEK +51 (–16).
- Profit after taxes totalled MSEK 188 (170).
- Earnings per share amounted to SEK 6.70 (6.05).
- Return on equity in the latest 12-month period was 12 percent (11).
- Equity/assets ratio at the end of the reporting period was 39 percent (35) and the net debt/equity ratio was 0.64 (0.94).



B&B TOOLS provides the industrial and construction sectors in northern Europe with industrial consumables, industrial components and related services.
The Group has annual revenue of approximately SEK 7.8 billion and approximately 2,800 employees.

Third quarter (1 October-31 December 2012)

- Revenue for comparable units, measured in local currency, decreased by –7 percent during the quarter. Operating profit amounted to MSEK 128 (105), and was impacted by non-recurring items in the amount of MSEK +51 (–2).
- In December 2012, the Group's major logistics properties were divested with a capital gain of approximately MSEK 245. The property sales had a positive impact on cash flow of MSEK 375.
- Positive cash flow and the net loan liability decreased by MSEK 622 during the quarter.
- A decision in December 2012 concerning further restructuring measures in the Group and the effects of an ongoing business infrastructure programme in TOOLS Sweden entail a reduction of the Group's annual costs by a total of approximately MSEK 140, net. These decisions resulted in non-recurring costs totalling MSEK 194 during the quarter.

B&B TOOLS in summary

	3 months ending			9 months ending			12 months ending		
	31 Dec 2012	31 Dec 2011	Change	31 Dec 2012	31 Dec 2011	Change	31 Dec 2012	31 Dec 2011	Change
Revenue, MSEK	1,988	2,149	–7%	5,815	6,173	–6%	7,843	8,131	–4%
Operating profit, MSEK	128	105	+22%	221	307	–28%	323	381	–15%
of which non-recurring items	+51	–2		+51	–16		+59	–16	
Profit after net financial items, MSEK	106	82	+29%	162	240	–33%	240	296	–19%
Profit for the period (after taxes), MSEK	149	58	+157%	188	170	+11%	245	203	+21%
Earnings per share, SEK	5.30	2.05	+159%	6.70	6.05	+11%	8.70	7.25	+20%
Operating margin	6.4%	4.9%		3.8%	5.0%		4.1%	4.7%	
Profit margin	5.3%	3.8%		2.8%	3.9%		3.1%	3.6%	
Return on equity							12%	11%	
Equity per share, SEK				74.50	69.45	+7%			
Equity/assets ratio				39%	35%				
Number of employees at the end of the period				2,766	2,862	–3%			

President's statement

I assumed the position as President & CEO on 1 November 2012, and have since had the pleasure of meeting a vast number of customers and employees from throughout the Group. As a leader, I have always worked in close cooperation with the daily operations and my recent meetings have strengthened my own understanding of B&B TOOLS' strengths, challenges and opportunities moving forward. We have many "local heroes" who go the extra mile every day for our customers, our own operations and our future progress – in our stores and with our customers, at the central warehouses and throughout the Group. The commitment, expertise and experience that I encounter in our operations truly make me proud and pleased. At the same time, we are currently facing major challenges in our markets and several customers in the industrial and construction sector issue notifications of cutbacks in production and staffing.

Based on these circumstances, we are now building a business with a sharp focus on customers, high cost-awareness and clear responsibility for earnings and profitability. The most specific steps to date are the new management structure with a joint Group management team, our continued structural measures and the sale of our major office and logistics properties, which we presented in early December of last year. In parallel, we are continuing our expeditious efforts to turn our earnings trend around and reduce working capital in various areas of the Group – with unabated energy.

THIRD QUARTER 2012/2013 (October-December)

The third quarter of the financial year was marked by continued cautious demand for the Group's products and services. The quarter included a total of two fewer trading days compared with the year-earlier period, and many industrial companies also halted their production completely over the Christmas and New Year's holidays. For B&B TOOLS, this had an adverse impact on the sales and earnings trend during the quarter and the Group's overall sales declined by approximately –7 percent, measured in local currency, and operating profit by –28 percent (excluding non-recurring items).

However, there is substantial variation among the Group's various geographic markets and customer segments, and business opportunities still remain available by constantly working closely with current and potential customers. For example, the Norwegian operations reported continued sales growth in such industries as offshore and experienced a positive earnings trend, while volumes in TOOLS Sweden and TOOLS Finland declined by –14 percent and –15 percent, respectively, and the quarterly earnings were negative. Similarly, sales increased for the Personal Protective Equipment and Fastening Elements Business Areas, largely as a result of new customer agreements with a couple of major construction material chains in Sweden and other Nordic countries, and successful product launches during the year. TOOLS Momentum was primarily impacted by decreased activity in the industrial sector related to planned production shutdowns over the Christmas and New Year's holidays.

The Group's funds tied up in working capital declined by a total of MSEK –135 during the third quarter (compared with MSEK –90 in the year-earlier period) and cash flow from operating activities totalled MSEK 265 (186).

Measures for efficiency enhancements and to reduce overhead costs

TOOLS Sweden continues its efforts to reduce overhead costs by introducing the new platform for IT, product range, logistics and administration. Three of five regions are now deploying the joint solution, and during the financial year, TOOLS Sweden took such measures as consolidating a number of local warehouses and also cut back the number of employees, primarily in logistics and support functions. The remaining regions in TOOLS Sweden plan to introduce similar solutions during the spring of 2013.

The Group recognised non-recurring items of a net total of MSEK +51 during the third quarter. The items comprise capital gains of approximately MSEK 245 from the sale of the Group's major logistics and office properties in Ulricehamn and Alingsås, as well as non-recurring costs of approximately MSEK –194, primarily pertaining to restructuring and transitional measures that were presented in early December 2012. Liquidity from the property sales was primarily used to reduce the Group's indebtedness, which improves net financial items by approximately MSEK 20 on an annual basis.

Overall, I remain committed to the ambition that the Group as of the summer of 2013 will operate with approximately MSEK 140 (net) in lower annual costs compared with the preceding year. This will provide the foundation to focus entirely on a gradual improvement in operational profitability with the customer as the basis for everything.

Stockholm, February 2013

Ulf Lilius
President & CEO

Profit and revenue

Profit

Operating profit for the B&B TOOLS Group during the reporting period amounted to MSEK 221 (307). Operating profit was impacted by non-recurring items in the net amount of MSEK +51 (–16) concerning capital gains totalling MSEK 245 from property sales, and costs for restructuring measures totalling MSEK –194. Operating profit was charged with depreciation and impairment losses of MSEK –32 (–35) on tangible non-current assets and amortisation and impairment losses of MSEK –22 (–11) on intangible non-current assets.

The operating margin for the period declined by 1.2 percentage points to 3.8 percent (5.0). Excluding nonrecurring items, the operating margin was 2.9 percent (5.2).

Profit after net financial items totaled MSEK 162 (240). Net financial items totalled MSEK –59 (–67). The profit margin was 2.8 percent (3.9).

Exchange-rate translation effects had a positive impact on recognised operating profit for the period of MSEK +1 (–3), net.

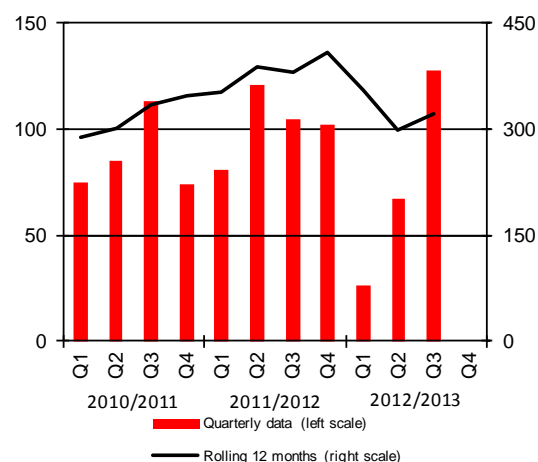
Profit after taxes totalled MSEK 188 (170). Earnings per share amounted to SEK 6.70 (6.05).

Revenue

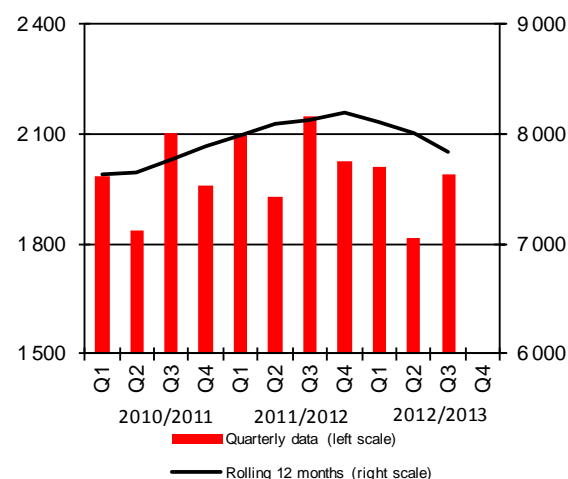
Revenue totalled MSEK 5,815 (6,173). Exchange-rate translation effects had a negative impact of MSEK –40 (–66) on revenue during the reporting period.

Revenue for comparable units, measured in local currency, decreased by approximately –5 percent during the period. For the third quarter (October-December), revenue for comparable units decreased by approximately –7 percent, measured in local currency.

Operating profit, MSEK



Revenue, MSEK



Operations

The revenue change in the Group's various profit units fluctuated between –13 percent and +2 percent during the reporting period (measured in local currency). On average, currency-adjusted revenue declined by –5 percent during the reporting period.

Group	3 months ending		9 months ending		Full-year	
	31 Dec 2012	31 Dec 2011	31 Dec 2012	31 Dec 2011	Rolling 12 months	2011/2012
MSEK						
Revenue	1,988	2,149	5,815	6,173	7,843	8,201
Operating profit	128	105	221	307	323	409
Operating margin, %	6.4	4.9	3.8	5.0	4.1	5.0
Adjustment for non-recurring items	–51	+2	–51	+16	–59	+8
Adjusted operating profit	77	107	170	323	264	417
Adjusted operating margin, %	3.9	5.0	2.9	5.2	3.4	5.1

TOOLS

TOOLS is the B&B TOOLS Group's market channel for industrial consumables and industrial components for Nordic industry. Via TOOLS, the Group has a presence in some 200 locations in Sweden, Norway and Finland.

TOOLS MSEK	3 months ending		9 months ending		Full-year	
	31 Dec 2012	31 Dec 2011	31 Dec 2012	31 Dec 2011	Rolling 12 months	2011/2012
Revenue	1,356	1,488	3,941	4,211	5,325	5,595
Operating profit	–67	44	–5	129	47	181
Operating margin, %	–4.9	3.0	–0.1	3.1	0.9	3.2
Adjustment for non-recurring items	+100	–2	+100	+5	+86	–9
Adjusted operating profit	33	42	95	134	133	172
Adjusted operating margin, %	2.4	2.8	2.4	3.2	2.5	3.1

TOOLS' revenue for comparable units, measured in local currency, decreased by a total of –8 percent during the third quarter. For the entire reporting period, revenue declined by –6 percent. For TOOLS' various parts, the revenue trend for comparable units, measured in local currency, was as follows during the third quarter and the reporting period, respectively: TOOLS Sweden –14 percent and –13 percent; TOOLS Finland –15 percent and –9 percent; TOOLS Norway +3 percent and +2 percent; and TOOLS Momentum –6 percent and +/–0 percent.

Refer also to the specification of TOOLS *including* and *excluding* non-recurring items in Appendices B and C, respectively, on pages 13-15.

Business areas

The Group's four Business Areas – Tools & Machinery, Personal Protective Equipment, Fastening Elements and Work Environment & Consumables – supply TOOLS and other market channels with industrial consumables and related services.

Business Areas MSEK	3 months ending		9 months ending		Full-year	
	31 Dec 2012	31 Dec 2011	31 Dec 2012	31 Dec 2011	Rolling 12 months	2011/2012
Revenue	971	995	2,800	2,914	3,760	3,874
Operating profit	37	67	97	195	168	266
Operating margin, %	3.8	6.7	3.5	6.7	4.5	6.9
Adjustment for non-recurring items	+10	+4	+10	+11	+12	+13
Adjusted operating profit	47	71	107	206	180	279
Adjusted operating margin, %	4.8	7.1	3.8	7.1	4.8	7.2

Revenue for comparable units, measured in local currency, for the Group's Business Areas decreased by a total of –2 percent during the third quarter. For the entire reporting period, revenue declined by –3 percent. For the various areas, the revenue trend for comparable units, measured in local currency, was as follows for the third quarter and the reporting period, respectively: Tools & Machinery –6 percent and –7 percent; Personal Protective Equipment +2 percent and –1 percent; Fastening Elements +3 percent and +2 percent; and Work Environment & Consumables –5 percent and –7 percent.

Refer also to the specification of Business Areas *including* and *excluding* non-recurring items in Appendices B and C, respectively, on pages 13-15.

Group-wide and eliminations

The operating profit for "Group-wide" amounted to MSEK 135 (–10) for the reporting period. The profit was impacted by non-recurring items in the net amount of MSEK +161 pertaining to capital gains of approximately MSEK +245 from property sales, and costs for restructuring measures totalling MSEK –84.

The Parent Company's revenue amounted to MSEK 39 (43) and profit after net financial items to MSEK 74 (65). These results include intra-Group contributions, dividends and similar items totalling MSEK 90 (62).

In conjunction with the sale of the logistics properties in Alingsås and Ulricehamn, one of the Group's companies entered into leases that expire at the end of 2027. The Parent Company B&B TOOLS AB has entered into an agreement guaranteeing the Group company's fulfilment of these leases with a total annual leasing cost of approximately MSEK 35.

Eliminations for intra-Group inventory gains had an effect on earnings of MSEK –6 (–7) during the reporting period.

Management changes

With the aim of enhancing efficiency in the management and review of the operating activities, and thus making more decisions closer to the customers and operations, a decision was made in November 2012 to introduce a new organisational structure with fewer management levels at the highest level in the Group. Accordingly, as of 1 January 2013, all of the Group's various operating areas are included in the management team of the B&B TOOLS Group.

Eva Hemb, who has been the Group's Operating CFO since 2010, has been appointed CFO of the B&B TOOLS Group as of 1 April 2013. The current CFO and Executive Vice President, Mats Björkman, will remain active in the Group through May 2013, to ensure a fluid and productive transition for his successor.

Corporate acquisitions

No corporate acquisitions took place during the reporting period.

Profitability

The return on consolidated capital employed for the latest 12-month period was 9 percent, and the return on equity was 12 percent. Based on profit excluding nonrecurring items, the return on capital employed was 7 percent and the return on equity was 7 percent. In the year-earlier period, the return on consolidated capital employed was 10 percent and the return on equity was 11 percent.

Cash flow, capital expenditures and financial position

Cash flow from operating activities before changes in working capital for the reporting period amounted to MSEK 154 (211). Funds tied up in working capital declined by MSEK 64 (preceding year: an increase of MSEK 134). During the period, the Group's inventories decreased by MSEK 103 and operating receivables decreased by MSEK 90. Operating liabilities declined by MSEK 129. Accordingly, cash flow from operating activities for the reporting period amounted to MSEK 218 (77). Cash flow was positively impacted in an amount of MSEK 375 by the sales of the Group's major logistics properties during the third quarter.

The Group's financial net loan liability at the end of the reporting period totalled MSEK 1,330 (1,827). Interest-bearing liabilities amounted to MSEK 1,525 (1,919), including expensed pension commitments totalling MSEK 386 (389). Liabilities to credit institutions amounted to MSEK 953 (1,449), net. Combined cash and cash equivalents, including unutilised granted credit facilities, totalled MSEK 486. In addition to these available funds of MSEK 486, there are credit facilities agreements with banks for an additional MSEK 200. The equity/assets ratio at the end of the reporting period was 39 percent, compared with 36 percent at the beginning of the financial year.

Equity per share totalled SEK 74.50 at the end of the reporting period, compared with SEK 71.50 at the beginning of the financial year.

The recognised taxes for the reporting period were positively impacted by tax-free capital gains of MSEK 64 from the sale of properties and a reduction in deferred taxes of MSEK 7 as a result of the reduction of the corporate tax rate in Sweden from 26.3 percent to 22 percent as of 2013.

Employees

At the end of the reporting period, the number of employees in the Group amounted to 2,766, compared with 2,880 at the beginning of the financial year.

Share structure and repurchase of own shares

Share capital at the end of the reporting period totalled MSEK 56.9. The distribution by classes of shares is as follows:

Classes of shares	As of 31 December 2012
Class A shares	1,072,280
Class B shares	27,364,136
Total number of shares before repurchasing	28,436,416
Less: Repurchased Class B shares	–340,000
Total number of shares after repurchasing	28,096,416

As of 31 March 2012, the number of Class B shares held in treasury totalled 340,000. During the reporting period, there were no changes to the holding of treasury shares. Accordingly, on 31 December 2012, the holding of Class B treasury shares amounted to 340,000, corresponding to 1.2 percent of the total number of shares and 0.9 percent of the total number of votes.

There have been no changes in the holding of treasury shares after the end of the reporting period.

Accounting policies

The Interim Report for the Group was prepared in accordance with IFRS and by applying IAS 34 *Interim Financial Reporting*, the Swedish Annual Accounts Act and the Swedish Securities Market Act. The Interim Report for the Parent Company was prepared in accordance with the Swedish Annual Accounts Act and the Swedish Securities Market Act, which conforms to the provisions detailed in RFR 2 *Accounting for Legal Entities*. The same accounting policies and bases of judgement as in the Annual Report for 2011/2012 have been applied.

Risks and uncertainties

During the reporting period, no significant changes occurred with respect to risks and uncertainties, for either the Group or the Parent Company. For information about the Group's risks and uncertainties, refer to pages 17-18 of B&B TOOLS' Annual Report for 2011/2012.

Nomination Committee for the election of the Board of Directors

In accordance with a resolution passed at the Annual General Meeting held in August 2012, the largest shareholders in terms of votes have been contacted and asked to appoint four members who, together with the Chairman of the Board, will form the Nomination Committee for the upcoming election of the Board of Directors. The Nomination Committee thus comprises Chairman of the Board Anders Börjesson, Björn Franzon (representative of Swedbank Robur fonder), Tom Hedelius, Per Trygg (representative of SEB Fonder) and Karl Åberg (representative of CapMan Public Market Investment).

Events after the end of the reporting period

No significant events affecting the Group have occurred after the end of the reporting period.

Stockholm, 14 February 2013

Ulf Lilius

President & Chief Executive Officer

This report has not been subject to special review by the Company's auditors.

Contact information

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Comprehensive contact information for B&B TOOLS and forthcoming information dates are presented on page 16.

Reporting by operating segment

REVENUE MSEK	3 months		9 months		Full-year	
	Oct – Dec 2012	Oct – Dec 2011	Apr – Dec 2012	Apr – Dec 2011	Rolling 12 months	2011/ 2012
TOOLS	1,356	1,488	3,941	4,211	5,325	5,595
Business Areas	971	995	2,800	2,914	3,760	3,874
Group-wide	163	157	467	453	624	610
Eliminations	–502	–491	–1,393	–1,405	–1,866	–1,878
Total	1,988	2,149	5,815	6,173	7,843	8,201

Revenue by quarter		2012/2013			2011/2012		
MSEK	Q3	Q2	Q1	Q4	Q3	Q2	Q1
TOOLS	1,356	1,221	1,364	1,384	1,488	1,298	1,425
Business Areas	971	876	953	960	995	925	994
Group-wide	163	155	149	157	157	147	149
Eliminations	−502	−434	−457	−473	−491	−443	−471
Total	1,988	1,818	2,009	2,028	2,149	1,927	2,097

OPERATING PROFIT/LOSS MSEK	3 months		9 months		Full-year	
	Oct – Dec 2012	Oct – Dec 2011	Apr – Dec 2012	Apr – Dec 2011	Rolling 12 months	2011/ 2012
TOOLS	–67	44	–5	129	47	181
Business Areas	37	67	97	195	168	266
Group-wide	161	2	135	–10	115	–30
Eliminations	–3	–8	–6	–7	–7	–8
Total	128	105	221	307	323	409

Operating profit/loss by quarter		2012/2013			2011/2012		
MSEK	Q3	Q2	Q1	Q4	Q3	Q2	Q1
TOOLS	−67	40	22	52	44	55	30
Business Areas	37	30	30	71	67	69	59
Group-wide	161	−3	−23	−20	2	−2	−10
Eliminations	−3	0	−3	−1	−8	−1	2
Total	128	67	26	102	105	121	81

Adjusted operating profit *excluding* non-recurring items

ADJUSTED OPERATING PROFIT/LOSS MSEK	3 months		9 months		Full-year	
	Oct – Dec 2012	Oct – Dec 2011	Apr – Dec 2012	Apr – Dec 2011	Rolling 12 months	2011/ 2012
TOOLS	33	42	95	134	133	172
Business Areas	47	71	107	206	180	279
Group-wide	0	2	–26	–10	–42	–26
Eliminations	–3	–8	–6	–7	–7	–8
Total	77	107	170	323	264	417

Adjusted operating profit/loss by quarter		2012/2013			2011/2012		
MSEK	Q3	Q2	Q1	Q4	Q3	Q2	Q1
TOOLS	33	40	22	38	42	55	37
Business Areas	47	30	30	73	71	72	63
Group-wide	0	−3	−23	−16	2	−2	−10
Eliminations	−3	0	−3	−1	−8	−1	2
Total	77	67	26	94	107	124	92

Group summary

INCOME STATEMENT MSEK	3 months		9 months		Full-year	
	Oct – Dec 2012	Oct – Dec 2011	Apr – Dec 2012	Apr – Dec 2011	Rolling 12 months	2011/ 2012
Revenue	1,988	2,149	5,815	6,173	7,843	8 201
Share in profit of associated companies	0	1	–1	1	–1	1
Other operating income	246	10	250	12	275	37
Total operating revenue	2,234	2,160	6,064	6,186	8,117	8,239
Goods for resale	–1,234	–1,291	–3,539	–3,695	–4,728	–4,884
Personnel costs	–472	–442	–1,313	–1,271	–1,753	–1,711
Depreciation, amortisation, impairment losses & reversal of impairment losses	–24	–16	–54	–46	–75	–67
Other operating expenses	–376	–306	–937	–867	–1,238	–1,168
Total operating expenses	–2,106	–2,055	–5,843	–5,879	–7,794	–7,830
Operating profit	128	105	221	307	323	409
Financial income and expenses	–22	–23	–59	–67	–83	–91
Profit after net financial items	106	82	162	240	240	318
Taxes	43	–24	26	–70	5	–91
Profit for the period	149	58	188	170	245	227
Of which attributable to:						
Parent Company shareholders	149	58	188	170	245	227
Non-controlling interest	0	0	0	0	0	0
Earnings per share, SEK						
– before dilution	5.30	2.05	6.70	6.05	8.70	8.10
– after dilution	5.30	2.05	6.70	6.05	8.70	8.10

Refer also to the income statement summary of Adjusted operating profit *excluding* non-recurring items in Appendix A on page 13.

STATEMENT OF COMPREHENSIVE INCOME MSEK	3 months		9 months		Full-year	
	Oct – Dec 2012	Oct – Dec 2011	Apr – Dec 2012	Apr – Dec 2011	Rolling 12 months	2011/ 2012
Profit for the period	149	58	188	170	245	227
Other comprehensive income for the period						
Translation differences	13	–19	–14	6	–15	5
Translation differences in non controlling interest	–	0	–	0	0	0
Effects of hedge accounting	–6	7	–7	5	–2	10
Taxes attributable to other comprehensive income	–2	2	1	–1	–2	–4
Comprehensive income for the period	154	48	168	180	226	238
Of which attributable to:						
Parent Company shareholders	154	48	168	180	226	238
Non-controlling interest	0	0	0	0	0	0

BALANCE SHEET			
MSEK	31 Dec 2012	31 Dec 2011	31 Mar 2012
Assets			
Intangible non-current assets	1,788	1,800	1,815
Tangible non-current assets	255	448	407
Financial non-current assets, interest-bearing	9	11	10
Financial non-current assets, non-interest-bearing	129	133	127
Inventories	1,518	1,688	1,684
Accounts receivable	1,122	1,143	1,233
Other current receivables	310	289	238
Cash and cash equivalents	186	81	85
Total assets	5,317	5,593	5,599
Equity and liabilities			
Equity	2,093	1,951	2,009
Non-current interest-bearing liabilities	1,136	573	743
Pension provisions	386	389	377
Other non-current liabilities and provisions	153	183	183
Current interest-bearing liabilities	3	957	762
Accounts payable	778	807	831
Other current liabilities	768	733	694
Total equity and liabilities	5,317	5,593	5,599
Specification:			
Inventories plus accounts receivable less accounts payable	1,862	2,024	2,086
Other working capital items, net	-458	-444	-456
Working capital	1,404	1,580	1,630
Financial net loan liability *	1,330	1,827	1,787

* Interest-bearing liabilities and interest-bearing provisions less cash and cash equivalents and interest-bearing financial non-current assets.

STATEMENT OF CHANGES IN EQUITY			
MSEK	31 Dec 2012	31 Dec 2011	31 Mar 2012
Opening equity	2,009	1,855	1,855
<i>of which non-controlling interest</i>	<i>0</i>	<i>0</i>	<i>0</i>
Dividend, Parent Company shareholders	-84	-84	-84
Change of minority as a result of acquisition	-	-	0
Comprehensive income for the period attributable to:			
– Parent Company shareholders	168	180	238
– Non-controlling interest	0	0	0
Closing equity	2,093	1,951	2,009
<i>of which non-controlling interest</i>	<i>0</i>	<i>0</i>	<i>0</i>

CASH-FLOW STATEMENT MSEK	3 months		9 months		Full-year	
	Oct – Dec 2012	Oct – Dec 2011	Apr – Dec 2012	Apr – Dec 2011	Rolling 12 months	2011/2012
Operating activities before changes in working capital	130	96	154	211	221	278
Changes in working capital	135	90	64	–134	34	–164
Cash flow from operating activities	265	186	218	77	255	114
Acquisition of intangible and tangible non-current assets	–14	–12	–39	–27	–54	–42
Sales of intangible and tangible non-current assets	6	7	7	10	7	10
Acquisition of subsidiaries and other business units	–	–	–	–	–22	–22
Sales of subsidiaries and other business units	375	13	375	17	415	57
Cash flow before financing	632	194	561	77	601	117
Financing activities	–518	–194	–460	–91	–495	–126
Cash flow for the period	114	0	101	–14	106	–9
Cash and cash equivalents at the beginning of the period	71	81	85	92	81	92
Exchange-rate difference in cash and cash equivalents	1	0	0	3	–1	2
Cash and cash equivalents at the end of the period	186	81	186	81	186	85

OPERATING SEGMENTS MSEK	External revenue		Revenue from internal customers		Total revenue		Operating profit / loss	
	Apr–Dec 2012	Apr–Dec 2011	Apr–Dec 2012	Apr–Dec 2011	Apr–Dec 2012	Apr–Dec 2011	Apr–Dec 2012	Apr–Dec 2011
TOOLS	3,901	4,146	40	65	3,941	4,211	–5	129
Business Areas	1,908	2,016	892	898	2,800	2,914	97	195
Total operating segment	5,809	6,162	932	963	6,741	7,125	92	324
Group-wide	6	11	461	442	467	453	135	–10
Eliminations	–	–	–1,393	–1,405	–1,393	–1,405	–6	–7
Group	5,815	6,173	0	0	5,815	6,173	221	307

The Group's operating segments comprise TOOLS and the Group's four Business Areas. The operating segments are consolidations of the operational organisation, as used by Group management and the Board of Directors to monitor operations

TOOLS comprises the Group's reseller operations in Sweden, Norway and Finland (which operate within the framework of TOOLS) and TOOLS Momentum, which together form the Group's market channel for industrial consumables and industrial components for Nordic industry.

The Group's four Business Areas conduct operations in various product and application areas (Tools & Machinery, Personal Protective Equipment, Fastening Elements and Work Environment & Consumables) and provide TOOLS and other market channels with industrial consumables and related services.

Group-wide includes the Group's management, accounting, support functions, infrastructure operations and property management. The support functions include marketing, HR, internal communications, IR, legal and business development. Infrastructure operations comprise IT, supply chain and master data management (MDM).

Intra-Group pricing between the operating segments occurs on market terms.

There are no assets in the operating segments that are affected by material changes compared with the most recent Annual Report. The accounting policies are the same as those applied in the consolidated financial statements.

KEY PER-SHARE DATA SEK	3 months		9 months		Full-year	
	Oct – Dec 2012	Oct – Dec 2011	Apr – Dec 2012	Apr – Dec 2011	Rolling 12 months	2011/ 2012
Earnings before dilution	5.30	2.05	6.70	6.05	8.70	8.10
Earnings after dilution	5.30	2.05	6.70	6.05	8.70	8.10
Equity, at the end of the period			74.50	69.45		71.50
Equity after dilution, at the end the period			74.50	69.45		71.50
NUMBER OF SHARES OUTSTAN- DING IN THOUSANDS						
Number of shares outstanding before dilution	28,096	28,096	28,096	28,096		28,096
Weighted number of shares outstanding before dilution	28,096	28,096	28,096	28,096	28,096	28,096
Weighted number of shares outstanding after dilution	28,096	28,096	28,096	28,096	28,096	28,096

Parent Company summary

INCOME STATEMENT MSEK	3 months		9 months		Full-year	
	Oct – Dec 2012	Oct – Dec 2011	Apr – Dec 2012	Apr – Dec 2011	Rolling 12 months	2011/2012
Revenue	13	15	39	43	57	61
Other operating income	–	–	–	–	–	–
Total operating revenue	13	15	39	43	57	61
Operating expenses	–58	–18	–92	–59	–112	–79
Operating loss	–45	–3	–53	–16	–55	–18
Financial income and expenses	24	21	127	81	290	244
Profit after net financial items	–21	18	74	65	235	226
Appropriations	–	–	–	–	–27	–27
Profit before taxes	–21	18	74	65	208	199
Taxes	3	–4	2	–3	–33	–38
Profit for the period	–18	14	76	62	175	161

STATEMENT OF COMPREHENSIVE INCOME MSEK	3 months		9 months		Full-year	
	Oct – Dec 2012	Oct – Dec 2011	Apr – Dec 2012	Apr – Dec 2011	Rolling 12 months	2011/2012
Profit/loss for the period	–18	14	76	62	175	161
Other comprehensive income for the period						
Effects of hedge accounting	0	0	–2	–10	5	–3
Taxes attributable to other comprehensive income	0	0	0	3	–2	1
Comprehensive income for the period	–18	14	74	55	178	159

BALANCE SHEET MSEK	31 Dec 2012		31 Dec 2011		31 Mar 2012	
Assets						
Intangible non-current assets	1	2	2			
Tangible non-current assets	5	6	6			
Financial non-current assets	4,056	3,734	3,794			
Current receivables	31	118	369			
Cash and cash equivalents	122	–	24			
Total assets	4,215	3,860	4,195			
Equity and liabilities						
Equity	1,257	1,163	1,267			
Untaxed reserves	247	220	247			
Provisions	50	51	51			
Non-current liabilities	1,364	674	851			
Current liabilities	1,297	1,752	1,779			
Total equity, provisions and liabilities	4,215	3,860	4,195			

Appendix

A. Income statement summary – Adjusted operating profit *excluding* non-recurring items

ADJUSTED INCOME STATEMENT <i>excluding</i> non-recurring items MSEK	3 months		9 months		Full-year	
	Oct – Dec 2012	Oct – Dec 2011	Apr – Dec 2012	Apr – Dec 2011	Rolling 12 months	2011/ 2012
Revenue	1,988	2,149	5,815	6,173	7,843	8,201
Share in profit of associated companies	0	1	–1	1	–1	1
Other operating income	1	1	5	3	8	6
Total operating revenue	1,989	2,151	5,819	6,177	7,850	8,208
Goods for resale	–1,177	–1,291	–3,482	–3,695	–4,669	–4,882
Personnel costs	–415	–435	–1,256	–1,250	–1,691	–1,685
Depreciation, amortisation, impairment losses & reversal of impairment losses	–12	–16	–42	–46	–59	–63
Other operating expenses	–308	–302	–869	–863	–1,167	–1,161
Total operating expenses	–1,912	–2,044	–5,649	–5,854	–7,586	–7,791
Adjusted operating profit	77	107	170	323	264	417
<i>Contribution ratio, %</i>	<i>40.8%</i>	<i>39.9%</i>	<i>40.1%</i>	<i>40.1%</i>	<i>40.5%</i>	<i>40.5%</i>
<i>Operating margin, %</i>	<i>3.9%</i>	<i>5.0%</i>	<i>2.9%</i>	<i>5.2%</i>	<i>3.4%</i>	<i>5.1%</i>

B. Specification – TOOLS and Business areas *including* non-recurring items

	Revenue, MSEK					
	3 months ending		9 months ending		Full-year	
	31 Dec 2012	31 Dec 2011	31 Dec 2012	31 Dec 2011	Rolling 12 months	2011/ 2012
TOOLS						
Sweden	526	613	1,508	1,724	2,038	2,254
Norway	428	413	1,182	1,154	1,583	1,555
Finland	176	218	558	637	761	840
TOOLS Momentum	237	254	720	723	977	980
Eliminations	–11	–10	–27	–27	–34	–34
TOOLS TOTAL	1,356	1,488	3,941	4,211	5,325	5,595
BUSINESS AREAS						
Tools & Machinery	280	293	791	846	1,079	1,134
Personal Protective Equipment	299	298	831	847	1,089	1,105
Fastening Elements	162	159	538	532	721	715
Work Environment & Consumables	232	244	642	693	875	926
Eliminations	–2	1	–2	–4	–4	–6
BA TOTAL	971	995	2,800	2,914	3,760	3,874
GROUP-WIDE	163	157	467	453	624	610
ELIMINATIONS	–502	–491	–1,393	–1,405	–1,866	–1,878
GROUP	1,988	2,149	5,815	6,173	7,843	8,201

B. Specification – TOOLS and Business areas *including* non-recurring items - Cont.

	Operating profit, MSEK					
	3 months ending		9 months ending		Full-year	
	31 Dec 2012	31 Dec 2011	31 Dec 2012	31 Dec 2011	Rolling 12 months	2011/2012
TOOLS						
Sweden	-91	1	-122	8	-129	1
Norway	19	9	45	18	69	42
Finland	-18	2	-11	6	-7	10
TOOLS Momentum	23	31	83	96	115	128
Eliminations	0	1	0	1	-1	0
TOOLS TOTAL	-67	44	-5	129	47	181
BUSINESS AREAS						
Tools & Machinery	23	33	57	81	94	118
Personal Protective Equipment	21	25	46	75	67	96
Fastening Elements	-2	-3	5	12	8	15
Work Environment & Consumables	-5	11	-11	27	-1	37
Eliminations	0	1	0	0	0	0
BA TOTAL	37	67	97	195	168	266
GROUP-WIDE	161	2	135	-10	115	-30
ELIMINATIONS	-3	-8	-6	-7	-7	-8
GROUP	128	105	221	307	323	409

	Operating margin, %					
	3 months ending		9 months ending		Full-year	
	31 Dec 2012	31 Dec 2011	31 Dec 2012	31 Dec 2011	Rolling 12 months	2011/2012
TOOLS						
Sweden	-17.3	0.2	-8.1	0.5	-6.3	0.0
Norway	4.4	2.2	3.8	1.6	4.4	2.7
Finland	-10.2	0.9	-2.0	0.9	-0.9	1.2
TOOLS Momentum	9.7	12.2	11.5	13.3	11.8	13.1
Eliminations	-	-	-	-	-	-
TOOLS TOTAL	-4.9	3.0	-0.1	3.1	0.9	3.2
BUSINESS AREAS						
Tools & Machinery	8.2	11.3	7.2	9.6	8.7	10.4
Personal Protective Equipment	7.0	8.4	5.5	8.9	6.2	8.7
Fastening Elements	-1.2	-1.9	0.9	2.3	1.1	2.1
Work Environment & Consumables	-2.2	4.5	-1.7	3.9	-0.1	4.0
Eliminations	-	-	-	-	-	-
BA TOTAL	3.8	6.7	3.5	6.7	4.5	6.9
GROUP-WIDE	-	-	-	-	-	-
ELIMINATIONS	-	-	-	-	-	-
GROUP	6.4	4.9	3.8	5.0	4.1	5.0

C. Specification – TOOLS and Business areas *excluding* non-recurring items

	Operating profit (proforma), MSEK						Operating margin (proforma), %					
	3 months ending		9 months ending		Full-year		3 months ending		9 months ending		Full-year	
	31 Dec 2012	31 Dec 2011	31 Dec 2012	31 Dec 2011	Rolling 12 months	2011/2012	31 Dec 2012	31 Dec 2011	31 Dec 2012	31 Dec 2011	Rolling 12 months	2011/2012
TOOLS												
Sweden	-6	-2	-37	5	-59	-17	-1.1	-0.3	-2.5	0.3	-2.9	-0.8
Norway	19	10	45	22	69	46	4.4	2.4	3.8	1.9	4.4	3.0
Finland	-3	2	4	10	9	15	-1.7	0.9	0.7	1.6	1.2	1.8
TOOLS Momentum	23	31	83	96	115	128	9.7	12.2	11.5	13.3	11.8	13.1
Eliminations	0	1	0	1	-1	0	-	-	-	-	-	-
TOOLS TOTAL	33	42	95	134	133	172	2.4	2.8	2.4	3.2	2.5	3.1
BUSINESS AREAS												
Tools & Machinery	23	33	57	83	88	114	8.2	11.3	7.2	9.8	8.2	10.1
Personal Protective Equipm.	21	25	46	76	71	101	7.0	8.4	5.5	9.0	6.5	9.1
Fastening Elements	-2	-3	5	16	8	19	-1.2	-1.9	0.9	3.0	1.1	2.7
Work Environment & Consumables	5	15	-1	31	13	45	2.2	6.1	-0.2	4.5	1.5	4.9
Eliminations	0	1	0	0	0	0	-	-	-	-	-	-
BA TOTAL	47	71	107	206	180	279	4.8	7.1	3.8	7.1	4.8	7.2
GROUP-WIDE	0	2	-26	-10	-42	-26	-	-	-	-	-	-
ELIMINATIONS	-3	-8	-6	-7	-7	-8	-	-	-	-	-	-
GROUP	77	107	170	323	264	417	3.9	5.0	2.9	5.2	3.4	5.1

D. Compilation of key financial ratios

KEY FINANCIAL RATIOS	12 months ending			
	31 Dec 2012	31 Mar 2012	31 Mar 2011	31 Mar 2010
Revenue, MSEK	7,843	8,201	7,885	7,648
Operating profit, MSEK	323	409	347	261
Profit after net financial items, MSEK	240	318	280	193
Profit for the period, MSEK	245	227	194	134
Operating margin	4.1%	5.0%	4.4%	3.4%
Profit margin	3.1%	3.9%	3.6%	2.5%
Return on capital employed	9%	11%	9%	7%
Return on equity	12%	12%	11%	8%
P/WC (Profit/Working capital*)	16%	21%	19%	14%
Financial net loan liability (closing balance), MSEK	1,330	1,787	1,785	1,734
Equity (closing balance), MSEK	2,093	2,009	1,855	1,769
Equity/assets ratio	39%	36%	34%	32%
Net debt/equity ratio	0.64	0.89	0.96	0.98
Number of employees at the end of the period	2,766	2,880	2,840	2,844

* Working capital = Inventories + Accounts Receivable – Accounts Payable.

D. Compilation of key financial ratios – Cont.

KEY PER-SHARE DATA	12 months ending			
	31 Dec 2012	31 Mar 2012	31 Mar 2011	31 Mar 2010
Earnings, SEK	8.70	8.10	6.90	4.80
Earnings after dilution, SEK	8.70	8.10	6.90	4.80
Cash flow, SEK	9.10	4.05	3.65	13.20
Equity, SEK	74.50	71.50	66.00	63.05
Share price, SEK	65.75	59.25	113.50	105.75

Dates for forthcoming financial information

Financial Report for 1 April 2012 – 31 March 2013 will be presented on 16 May 2013.

The Annual Report for the 2012/2013 financial year will be distributed to shareholders who so have requested in the end of July 2013 and will be available at the Company's office and website as of the same time.

B&B TOOLS AB's 2013 Annual General Meeting will be held in Stockholm on 22 August 2013.

Visit www.bbtools.com to order reports and press releases.

This document is in all respects a translation of the Swedish original Interim Report. In the event of any differences between this translation and the Swedish original, the latter shall prevail.

The information in this report is such that it shall be disclosed by B&B TOOLS in accordance with the Swedish Securities Market Act, the Swedish Financial Instruments Trading Act or requirements imposed in the Rulebook for Issuers on NASDAQ OMX Stockholm. This information was submitted for publication on 14 February 2013 at 7:45 a.m.

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